



# AZ Medicaid Technical Consortium Meeting

June 23, 2004

2:30 PM to 4:00 PM

AHCCCS 701 E. Jefferson St. – 3<sup>rd</sup> Floor - Gold Room

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**Meeting Hosted By:** Lori Petre, AHCCCS

**Attendees:**

*(Based on sign-in sheets)*

**ADHS**

*Thomas Browning*

*Jerri Gray*

*Jeannette Heller*

*C.J. Major*

*Susan Ross*

**AHCCCS**

*Peggy Brown*

*Deborah Burrell*

*Barbara Butler*

*Melonie Carnegie*

*Chris Herrick*

*Ester Hunt*

*Dennis Koch*

*MaryKay McDaniel*

*John Nystedt*

*Brent Ratterree*

*Marna Richmond*

*Carrie Stamos*

*Mike Upchurch*

*Nancy Upchurch*

*Kyra Westlake*

**APIPA**

*Alexia Cathers*

*Lucy Markov*

*Charles Renew*

*Sean Stepp*

*Sharon Zamora*

**Care 1<sup>st</sup> Arizona**

*Anna Castaneda*

*Herb Woo*

**DES**

*Marcella Gonzalez*

*Major Williams*

**Evercare Select**

*Steven Iles*

*Vicki Johnson*

**Healthchoice AZ**

*Paul Benson*

*Jessica Lennick*

*Mark Messer*

*Mike Uchrin*

**MCP & Schaller Anderson**

*Cathy Jackson-Smith*

*Walter Janzen*

*Anne Romer*

*Art Schenkman*

**Maricopa**

*John Wilhelm*

*PHP*

*Greg Lucas*

**UFC**

*Eric Nichols*

*Kathleen Oestreich*

*Kathy Steiner*

*John Valentino*

**United Drugs**

*Rand Skelton*

**Yavapai County**

*Dave Soderberg*

## **Welcome (Lori Petre)**

We are going to go ahead and get started. I understand there was a bit of confusion about the meeting time for some of you. We were scheduled to start at 2:30 today. I will make sure I send everybody a confirmation of the meeting times coming up to ensure that everyone is on the same page. Sometimes we get shifted by a half hour or so depending on what is going on in the Gold Room. There is a meeting scheduled in September that is actually scheduled in the morning, which is totally different than what we normally do, and that is because the room was not available any other time that week. Today we are going to start with an AHCCCS HIPAA Security presentation. One of the things that we had talked about a couple of meetings ago was that we were going to share with you what AHCCCS is doing to comply with the HIPAA security regulations, trying to make sure that these meetings focus on all aspects of both HIPAA and other technical areas. We have with us today a consultant who is working for AHCCCS on this, Al Mambrino. I am going to let him tell you a little bit about himself, and then he has a presentation that will give you some idea of what AHCCCS is doing to react to HIPAA Security.

Action Item: Lori Petre  
Send confirmation of future meeting times.

## **AHCCCS HIPAA Security Presentation (Al Mambrino)**

My name is Al Mambrino. I work for the Forethought Group, and I have been doing consulting work here at the agency for the last two years, working on both Privacy and Security gap analysis and remediation work. I did the Security gap analysis for AHCCCS and have been working here the last couple of months on addressing deficiencies and helping them reach compliance with it. What I am going to go over with you is a presentation that I gave to AHCCCS executive management just to bring them up to speed on the significances of the Security Rule, what its components are, what its implications are. Having said that, I will begin the presentation.

We will start off by laying the foundation of some of the facts about the HIPAA Security Rule. The first one is that the publication date of the final rule was February 2003 with compliance scheduled for April 2005. In respect to AHCCCS, their gap analysis was completed in April 2002. We completed that gap analysis at the same time we completed the gap analysis for Privacy. After the provisional rule went final, I came back in and re-did the gap analysis and the context of the final rule. There were some significant changes in terms of the rule itself from the provisional to the final. The Security Rule pertains specifically to electronic PHI, where as the Privacy rule encompasses all forms of PHI. The Privacy Rule specifically is structured to address the electronic PHI. The rule itself is divided into three major sections. There are Administrative, Physical and Technical Safeguards. The rules requirements are defined by 18 standards and 36 Implementation Specifications. About half of the standards are stand-alone; they do not have any Implementation specifications. The other half do, and it varies in terms of how many implementation specifications that they have. The standards and implementation specifications are categorized as being either addressable or required. This is unique; there wasn't this stipulation in the Privacy Rules. This is something that gives a little different flavor with the Security Rule. Ostensibly the reason why they did this was to give latitude to organizations based on their size, which gives them some leeway in terms of how they can address the security standard. The final Security Rule is a lot more consistent with the Privacy Rule, and by consistent I mean in terms of the terminology they use, how it dovetails to privacy requirements, that type of thing. Where as the provisional rule really was not; you really had to scratch your head when you looked at the provisional rule even within itself to make sure that you understood what its implications where.

One thing that I like to stress with people is how the Security Rule came about, and briefly stated, the Security Rule itself, if you look at it and step back from it is really a best practiced document. If you look at specifically the National Institute of Standards and Technology (NIST), the Security Rule is basically derived from their publications on best practice. You can look at their document, and you will see the Security Rule almost verbatim. The NIST is an excellent source to go to look at

supporting documentation for the Security Rule. In saying that, if you look at Administrative Safeguards, they correspond to Management Security best practice. The Physical Safeguards correspond to Operational Security best practice, and Technical Safeguards to Technical Security best practice. By in large, the Technical Safeguards are features that you should have in place to ensure the integrity of electronic PHI.

Now we do have this little stipulation or peculiarity with the rule that there are some addressable implementation specifications. What do we mean by this? In looking at the standard, if it has addressable implementation specifications, then the covered entity has an option in terms of how to address compliance to that implementation specification. You can elect to implement one or more of the addressable implementation specifications. You can implement one or more alternatives to those specifications. You can do a combination of what is stated and what you think is an alternative. You could elect not to implement either an addressable implementation specification or an alternative security measure. If you do any of these things, you have to document why you have done them. If you do elect to take an alternative, you still need to address what the standard wants you to cover in terms of security.

When you look at an addressable implementation specification, you have to decide as an entity if it is a reasonable and appropriate security measure to apply within its particular security framework. A decision is based on a number of factors, and I have provided some of the more important ones. If you look at the alternative, and it is sufficient given the level of risk, it can be justified. If you look at the alternative, and it is effective in mitigating the risk, then it can be justified. If you can look at your current controls, and say that they manage the risk that this implementation specification is addressing effectively today, then you are fine. Is it reason appropriate based on a cost benefit analysis? You may have a risk that is so low for a given implementation specification in terms of what it is addressing, and your cost benefit could not be justified in terms of you are going to have to spend so much in order to bring yourself into compliance that you can't. That in its self is a justification for not doing the alternative or the implementation specification. Then you can mitigate that by doing something else. Case in point is encryption of PHI that is being sent through email. It is an addressable implementation specification. You may decide that it is prohibited for you to implement an encryption method. You can then say a number of things. You could say that nobody can send out PHI via email; if it is a small enough organization, you could potentially get away with that. The other thing you could say is what they initially had here at AHCCCS is that any PHI that is attached to an email has to be password protected. Given their cost benefit analysis or risk assessment, which is justifiable, that is just an example of how that could go.

In terms of the rule itself, I just laid out specifically what it is. The Administrative Safeguards address the Security Management Process. The two most important ones here are Risk Analysis and Risk Management. The reason why these two are most important in my mind is that you can base a lot of your decisions on the implementable specifications that are addressable based on your risk assessment. It is important that you have done this so that you have a foundation that you can then document "we did this instead of what you required, and here is the justification". Assigned Security Responsibility is very important. Just as with the Privacy Officer, you have to designate whom the Security Officer is. Workforce Security, we are talking about termination procedures, authorization, that type of thing. Information Access Management, if you have a clearinghouse function, you have to isolate it from your other systems. Access Authorization and Access Establishment and Modification, the Privacy Rule stresses minimum necessary enrolled based access. This is how you would implement it and make sure you have a method of controlling access authorization. Security Awareness Training is mandatory in terms of having to be given to all the employees of a covered entity. It is addressable so how detailed you want to get with this is entirely up to you. Security Reminders, there should be some way of prompting or alerting staff to the fact that there are some security issues that they should be aware of. AHCCCS does that very effectively today by sending out security updates. Security Incident Procedures, there is really two levels to this. One is what does your staff do in case they run into security incident. The other part is what does Operations or ISD do in the background in terms of security incidents. You should have policy in place to handle malicious software attacks, denial of service attacks, access authorization problems, that type of

thing. Contingency Plan is critical in terms of having a data backup plan, disaster recovery plan, emergency mode operation plan, etc. You need Testing and Revision Procedures for your contingency plan. At the base of this you should have an application data criticality analysis so you know how to structure your contingency plan. Evaluation is really in regard to what the Security Officer is obligated to do in terms of policy. If there are reasons for him to think that there has been a change in the way you do business, or a change in the way you structure your offices, that would warrant him coming back in to re-evaluate your compliance to the Security Rule. Business Associate Contracts should be looked over once more just to make sure that there is not any deficiencies in there in terms of what the Security Rule wants to see. By in large, this is one of the areas that they have really brought in line with the Privacy Rule. I will go out on a limb and say that if your Business Associate Contract is compliant according to the Privacy Rule, it will probably be compliant for the Security Rule.

Physical Safeguards are Facility Access Controls, who is allowed into the building, who isn't. How you keep track of maintenance that you are doing to IT resources, desktop, laptops, hard drives, that type of thing. You see again that Contingency Operations, and Access Control and Validation Procedures apply. The next two are pretty straight forward, and which were also addressed somewhat in the Privacy Rule are the Work Station Use and Work Station Security. It is making sure that you have a secure workplace. If you are telecommuting, it is making sure that the home office is secure as well as the office at work. Regarding the Device and Media Controls, what we are talking about here is if we have PHI stored on electronic media, how you are taking care of it, how you are disposing of it, and how you are backing it up, how you are accounting for it, etc. We are just implementing some policy here that will require some logging to be done if cartridge tapes, CDs, etc., are sent out, as well as Data Backup and Storage. It is being responsible for electronic PHI, where it is going, where it has been, that type of thing.

Technical Safeguards are features that would be integrated in with your network system to address Access Control of such things as Unique User Identification, Emergency Access Procedures, and Automatic Logoff. Regarding Encryption and Decryption, this is for data at rest. Do you really have a need to encrypt data that you are working with day to day? I would argue that most organizations can make a case for not doing this, but again, one of the things you have to do in order to do that is to do risk assessment to say why you think there is insufficient risk for your to justify the cost of doing something like this. Audit Controls, both on an application and a system level, require keeping audit logs of network activity and AHCCCS application systems. How thorough and useable are these logs? Integrity involves mechanisms to authenticate electronic PHI. What this mean is that you have a method, probably systematic, that gives you some ability to tell whether or not a file has been hacked. Transmission Security involves integrity controls and encryption. This is the one encryption that a lot of people will probably look at and have to find a way to do encryption for PHI that is included in email. Here at AHCCCS they have implemented a software/hardware solution called Tovarish, which is a fairly low cost but effective method of email encryption.

What steps has AHCCCS taken to meet the compliance standards? They have done a number of things over the last couple of years, some of which I have helped with. They have implemented a fairly comprehensive Business Continuity Plan. They have implemented policy and procedures included in the Privacy and Security Policy manual, which we are enhancing right now with more Security Policy. There are network and workstation security features that have been implemented such as automatic logoff for all workstations. Security at office and operational facilities has been stepped up a little bit, nothing drastic. The HPMMIS, which is their clearinghouse function for Hawaii, is separate from PMMIS so that they meet the requirements for a clearinghouse function. They do have sanction policy in place. ISD Data Security very well controls the information access management, and they also dove tail that by making sure that termination procedures follow on ensuring that peoples authorizations are turned off. They have a Security Officer right now; they have appointed Jim Wang, Assistant Director for ISD.

What initial steps is AHCCCS taking? In the fall we are implementing a Security Awareness training program, which is a computer-based training that all staff will be required to take. I believe that all staff, regardless of whether or not they work for a covered component, will be required to take this. I think that is a good idea just because it is best practice, and it is good knowledge for people to have. ISD had worked up some vulnerability analysis of their assets, and I am putting that in words in the context of a risk assessment and putting together a Risk Management plan for them. We have additional policy and procedures dealing with security incidents. What had to be brought up to speed were more of their internal policies in terms of denial of service attack, virus attack, that type of thing. This is for internal use only by ISD and would not be published for the general staff to know about. Overall, we are putting in more Security policy specifically for the Security Officer for evaluation for a number of things that were not addressed by Privacy.

Then we ask the question of who bears brunt of this, and obviously, since it is electronic PHI, the IT organization or in this case, ISD, bears the brunt of the implementation.

Having said that, we ask the question who else needs to work closely with ISD, and of course, the answer is everybody does. Specifically in AHCCCS' case, Human Resources and Division of Business and Finance really work with them to a much larger degree than the other divisions just because they have a vested interest in making sure the policy and procedures are in place that they have ownership of.

Now in terms of general staff, we tried to bring forward what is most directly going to impact staff. It is anything to deal with workforce security; access management, awareness training, incident procedures, physical security, and the one technical feature that would probably be the most obvious to them would be email encryption.

In terms of our compliance and things we are doing for that, awareness training, as I said before, will have a direct impact on them. The incident procedures will be formally documented. The device and media controls from a perspective of accountability so if that now when a cartridge, CD or diskette is sent out, to an external agency, if they are not all ready logging that event, they should be. There is transmission security for electronic PHI.

That concludes the presentation. I have provided you with my contact information. If anybody has any questions now, I will be glad to answer them.

Q: Will AHCCCS be changing contractual requirements to ensure providers comply with the Security Rule?

A: No, I don't believe so. You have your own obligation to comply with the Security Rule. If there are sufficient complaints brought against a given provider because they have not complied, then that is an issue. I think the only thing that there might be an obligation to in a business associate contract is that if you record a security incident there could be an obligation for you to alert AHCCCS to the fact that you have had a security incident, but there are obligations like that right now that exist.

## **Follow-up**

### **Outpatient Hospital Payment Fee Schedule (Lori Petre)**

As far as follow-up items, there is an Outpatient Workgroup meeting immediately following this one. In your package behind the minutes is the schedule as currently published for the Outpatient project. Anyone who would like to attend that Outpatient Workgroup meeting is welcome to do so.

### **BBA Data Certifications (Dennis Koch)**

We are continuing with the BBA certification. I did get confirmation back from Mercator; they do have a memory leak that affects the BBA process. What happens is if you send in a very large file, it locks up the entire Mercator server. That is why we are asking you to send an email to let us know when

you are dropping files onto the ftp server. We will be checking the size of those files so if it is over 25 Meg; we will pull it off and manually process those through in the production environment. We still want you to send in your certification, but that is how we need to process these until Mercator comes back with a solution. We have a process now that runs a check of what is sitting on the FTP server everyday, but we also ask that you send us an email just to let us know that you dropped a file out there.

Q: The server sweep is down now to once a day?

A: Lori Petre – Yes, there was an email sent out prior to the last Consortium meeting that details that change. If you did not get that email, let me know, and I will get you another copy. Basically, we went to a processing window.

Dennis Koch – This is because we want to check everything before we bring it in so we don't lose any files. That is what the issue was. A large file come in and lock the server up, and subsequently we would lose track of where they are. We are doing a lot of monitoring of where it is coming in through the BBA process on the FTP server to make sure that all the files get processed.

Q: We know you have been looking at the BBA process, trying to make a connection between the Mercator product the number of verifications going out and such. We continue to receive multiple verifications coming back on the BBA process.

A: Dennis Koch – We are currently looking into this. Almost every time it does occur we are looking to see what is causing that, which is the only thing that we can do to resolve that issue.

Lori Petre – There was a significant issue early last week with it not releasing the file.

Dennis Koch – Something that impacts this problem is when you reply back to the BBA email.

Q: If this is occurring in test, are we running the same setup in production?

A: Technically, yes, we are. I am not seeing it in production. It could be just a timing issue between the test and production environments, too. The test environment sweeps at 2:00 p.m., and the production environment sweeps at 3:18 p.m. To compensate for any type of transmission time, if you drop a file at any particular time, it will not try to pull that file in until 45 minutes later. For example, if you drop it between 1:15 p.m. and 2:00 p.m., it will not pull that file until the next day because it realizes that it could still be transferring.

Q: Knowing that you are aware of and are working on this issue, do you want us to continue to report to you?

A: Yes, go ahead and report it. You could make it an attachment, and email it to me or to the AHCCCS HIPAA Workgroup.

Lori Petre – Even if you think that we are aware of an issue, it is always best to report it. It was a major accomplishment getting Mercator to replicate this memory leak issue. We have been after them for months telling them there was a problem, but because they were unable to replicate it at the time, they could not do anything about it.

Q: Is there any way to get a refresh of the test bases?

A: Lori Petre – We are actually going to talk about that. We will need to take a vote. It is easy for us to do, but everybody has to agree.

Q: I sent in an email, and I have not yet received a reply; it may be too early to be looking for one. I had received a bunch of TA1s on some files that I had sent through, and they did not seem to correspond to anything.

Dennis Koch – When did you send the email?

Health Plan - About 4 days ago. Then I sent a file day before yesterday, and I received both a 997 and a TA1. The TA1 is not specifying the correct transaction ID; it is some bogus number that does not match up to our file. All the TA1s that I got are like that.

A: Dennis Koch – I will follow-up with Marsha on that.

Action Item: Dennis Koch

Follow-up on this TA1 issue with Marsha Solomon.

Q: Can we continue to send the faxes for the BBA process until it has been corrected?

A: We are not accepting faxes at this time.

Health Plan – We have sent several files that have been lost, as we have never gotten anything back on them. It seems as though we are having a dejavu of the same problem.

Dennis Koch – Everyday that you drop a file you should get an email back. We hold the file until you send in the certification. Either way, you should get an email back. If you are dropping files, and you are not getting anything back, you may have an issue that we need to know about.

Health Plan – What can we do to get this resolved?

Lori Petre – Are you saying that you had ongoing issues, and you reported them to the workgroup? And they are issues that Marsha has gotten back to you on?

Health Plan – What I am saying is that, for example, on page 3 of the Consortium minutes, which is talking about missing files. Here we are at the next meeting saying the same things all over again.

Lori Petre – Did you not get that follow-up, is that what you are saying? Or you are having a repeat of that issue that now requires additional follow-up? I am just trying to ascertain if Marsha did not get back to you or if this is a new issue. I know that she was aware of the issue.

Health Plan – We still don't know where some of the files went.

Lori Petre – So we could not account for everything?

Health Plan – You could not account for all of them. We do not know what happened to them.

Lori Petre – We will have to check into this with Marsha.

Dennis Koch – You sent in more files, and they are not there also?

Health Plan – The last two have been okay, but the previous ones were missing.

Dennis Koch – When were the previous ones sent in?

Health Plan – There was one that went in last week. We are still waiting on one that went in on 6/12/04.

Health Plan – This is something that we can discuss afterwards.

Lori Petre – It may be that we cannot answer this until we check with Marsha. It is my understanding was that she had gotten back to everyone.

**Action Item: Dennis Koch**

**Check with Marsha Solomon regarding the missing files.**

Lori Petre – A just put a copy on your package of the email that was sent out on 6/7/04 regarding the BBA Authorization List for Test and Prod. In the last meeting we had talked about what was in the BBA test and production files for everyone, and sending them out to you requesting any updated information that you had. I just wanted to make sure that everyone got that email. If you did not get that, do let us know. On the reverse side of that is the email that went out to you on 6/21/04 regarding NCPDP Encounter development efforts. We wanted to start getting some idea of when you think that you might be ready for NCPDP testing so that we can have that together. We will talk about NCPDP a little bit more when we get to that topic.

### **Encounters 837/277U (Brent Ratterree)**

There was a change to the pend file to accommodate the health plan claim number. We were not expecting that to change very quickly, but it ended up getting done. Many of you are seeing now that when you try to pull in your pend file, there is a one-byte shift. We have got the layout that we will be sending out to you today of what that shift was, and I do apologize for not being able to get that layout to you any earlier. It had to do with the byte size for the plan claim number. The original size for the patient account number was 29-bytes, and it was expanded to 30-bytes so there is some shifting in the pend file to accommodate that.



Health Plan – I just thought I would point out that it shifted from position 50 to position 49. I pulled down a file today and discovered that.

Brent Ratterree – You pulled in successfully all ready?

Health Plan – Yes.

Brent Ratterree – I have had some problems with some of the reports that I get to monitor what is going on with everybody. I haven't been able to pull in my reports yet because of some of those shifts. I know a couple of plans have contacted us over reporting changes as well, and I am still trying to determine what the layout is. We are still working on that.

Health Plan – I know that we had some problems with the claim IDs on the last pend file that had the shift.

Brent Ratterree – Why don't you send me some examples of that, and we can see what happened with that.

Lori Petre – Has it all ready been reported to the workgroup?

Health Plan – Yes.

Brent Ratterree - I wonder if we could go ahead and generate the old pend file layout for them so that they can pull it off and use it while we are working through this change.

Lori Petre – We need to evaluate if we can send and process either. We will let you know via email.

**Action Item: Lori Petre**

**Evaluate the use of the old pend file layout, and notify the health plans via email.**

Q: If we resubmit the files on all form types, and only on facility claims is the health plan claim number a problem, when I send corrections on those facility encounters and submit a pend file, is it going to coincide?

A: No. As long as all of your fields are lined up with the pend submission file, and you should have the layout later today, you should not have a problem at all.

Q: Are we going to have to go back and change everything?

A: I do not believe that you will have to change anything. If you think it is an issue, we can sit down with you drawing me a diagram to show me what is going on, we can do that. Conceptionally, I cannot think of any problem that would occur.

MaryKay McDaniel – I believe that what he is trying to say is that if they submit back to you what it used to be, you have got the new layout and his layout is off by the 1-byte, would that be an issue.

Q: If you post the original pend file layout, is that layout recent?

A: If we are able to supply you the original pend file layout, you could use the new pend file layout for the new submission for the pend correction.

MaryKay McDaniel – I am confused. There was a correction made to the pend file, and somehow we increased a field size but we moved back 1-byte.

Mike Upchurch – The claim type was removed which was a 1-byte field at the top of the file.

Lori Petre – So that freed up 1-byte, and we needed 2.

Mike Upchurch – We moved down to the Patient ID field. That field was only 20 spaces and we needed 30 for the Health Plan CRN so we took the 20 spaces there and the 9 spaces of filler following.

MaryKay McDaniel – What you have now is the new test file with the layout change that the health plans do not have. Some of the plans have manipulated that file back to the old file format. What Brent is suggesting is that you go back to the old file format.

Brent Ratterree – What I am suggesting is that if they have not been able to pull in their pend data yet, to give them the old pend file layout for this one time effort. Then for the new pend correction file coming in, use the new file layout.

Lori Petre – So even though they got the old one, they would have to send in the new one.

Brent Ratterree – Right, that would give them more time to make the changes that need to be done.

Health Plan – The files that we received on Monday were in the new format, which was shifted, and the health plans were unaware of that. This is the first time I have heard about this.

Brent Ratterree – Correct, the pend file was in the new format.



Lori Petre – Initially this was something that came up a couple of Consortium meetings ago when it was identified that the pend file did not have the CRN on it. There was some dispute on this as some of the health plans thought it was there, and it turned out it was not. The change was to place what folks were asking for on the pend file.

Health Plan – So what you are proposing is the old format pend correction file so that we can reload it.

Brent Ratterree – If you have all ready loaded it, don't pick up the old format.

Q: When would be the cutover of the new format?

A: Lori Petre – That is what we need to decide, as there is a timing issue. If we are going to back it out because we want to back it out for the full cycle, and put it back in for the next cycle. You cannot do this piece meal, as that does not make sense. It becomes a nightmare for Mike to back that in and out. And does the next cycle make sense or do the health plans need more time than that to make these changes to their side?

Health Plan – We would need one cycle if not two, to make these changes.

Lori Petre – I think that is the kind of feedback we need to tell Mike when we want him to put it back in. Mike said that we could hold the re-promote until Brent says it can go. If you could give Brent that kind of feedback, then he can let Mike know.

Health Plan – I think that we need at least a cycle or to in order to change the format, test it and be ready for production.

Q: On the pend file that we were missing that we just recently received where it is truncated, will that be addressed in the old format?

A: You should not have a problem if it is the old format.

Lori Petre – The old format does not have the health plan CRN, it will only have the Patient Account number. That is the risk with the old format, unless you are putting your CRN in the Patient Account field, you are not getting anything back on your pend file that is helpful to you.

Q: One or two months for us. Do you want our input now?

A: How about if you send me your input when you receive your layout. That way you will have some sort of knowledge base of how long it might take you.

Q: Lori Petre – Are you going to send that out to them today?

A: Brent Ratterree – That is supposed to go out today, yes.

**Action Item: Brent Ratterree**

**Send the new layout to the health plans.**

Q: Lori Petre – How long will it take before it is backed out?

A: Mike Upchurch – I will have to check when I get back to my office. I recommend that we send out an email when it has been corrected.

**Action Item: Lori Petre**

**Send out an email to the health plans to let them know when this has been corrected.**

Q: We have the new format and now back to the old format. Is the due date still 7/1?

A: The due date has to remain the same. I can impact any potential encounter sanctions though. More than likely, I will probably end up waiving any sanctions as a result of June. I can't change the timelines because there are other processes involved in those timelines, but I can have an effect on the sanction laws for the pended encounters. Any pend corrections that you can effect will still be due by 7/10.

Q: Would we submit those pend corrections in the old file format then?

A: Correct, in the old file format.

Lori Petre – We have had a request to refresh the test base, and in the past we talked about that in order to do so we needed to make sure that everyone agrees. Is there anyone that is opposed to refreshing the test base or are there timing suggestions for doing so? Basically, what we have done to refresh the test region once or twice before was to null load it giving you clean files coming back where you do not have any of the old data, but it does mean that it is a clean starting point. I know that ADHS is in the middle of something they are trying to finish up, and they probably want a little bit of time. DD is just finishing up something that is a little time sensitive for them.

Health Plan – We are okay with the refresh, but we are missing the point of why it is necessary.

Lori Petre – We will let Health Choice explain. They are big advocates of doing the refresh, and I promised them that we would talk about in this meeting. It is your base, and at this point we need you all to agree on the refresh.

Health Choice – We had a 27 Meg 277U file that we submitted as a stress test with no intention of working it so it sets out there as this huge file. That is the biggest reason.

Health Plan – We are fine with it, the voids and adjustments were our concern.

Lori Petre – It sounds like DD is going to need at least a week. We can certainly let everyone know if it goes more quickly or more slowly. They do need a little time to finish up.

Q: Will you send out an email?

A: Lori Petre – I will send out an email probably two days ahead of time to let you know when it is going to occur. The process runs quickly.

**Action Item: Lori Petre**

**Send email two days ahead of time to let health plans know that the refresh is going to occur.**

### **Encounters NCPDP (Lori Petre/Brent Ratterree)**

Lori Petre - I did send out a little email to everybody again just to kind of get a feel for when you will be ready to start your testing. We are ready to take files now for the 3.2 modified format. The other thing that Brent and I wanted to talk with you a little bit about today was that we ended up having the opportunity to look at an alternative, specifically for CRS and BHS. We are just finalizing the details. So we do not have a lot of the details available for you today, but Brent can talk a little bit about what it is we are doing.

Brent Ratterree – If you recall several months ago, we created two implementation plans, a long term and a short term. The short term was the modified 3.2. The long term was to do something else. Based off the work we are doing with some other contractors, we are preparing to continue work on the 5.1. It will require both the request and response segments. We will provide more information on this later. A letter will be going out to the CEOs informing them of this development. If any of you would rather report information to us via the modified 5.1 as opposed to what we are doing for the 3.2, then you may. You have two different options here. You can do it 3.2 or this 5.1 method.

Q: When will you start testing the 5.1 method?

A: We are not ready to test yet. We are ready to test the 3.2 now. The 5.1 testing will be a little later, and I do not have a final timeframe for that, at this time.

Q: It sounds to me like in production we still need to do the 3.2, and at some point we will get the option to do the 5.1?

A: Right now we are testing 3.2, and we are hoping to do 5.1 in the next couple weeks for internal testing, so you can choose to move forward with either.

Q: Is it a hybrid 5.1?

A: Lori Petre – It really is a hybrid 5.1 also, and that is because some of the fields we need to get are on the response not the request. It is not a pure 5.1 because of that.

Q: What information is there that you want on the 5.1 that is not on the request?

A: Lori Petre – C.J. Major, BHS, can probably speak best regarding this as he has been working closely with us on making this happen.

C.J. Major –Primarily it is the dispensing fee paid and ingredient cost paid. There is also multiple 99 other payer paid. That is what is different from the pure 5.1.

Brent Ratterree – I forgot how many months ago we did this, but early on we gave out a couple of 5.1 examples, and that is going to be pretty close to what the transaction will be.

Q: When do you anticipate having more documentation on the 5.1?

A: I do not know at this time. I think it is coming soon as they have been working furiously on it, but it will likely be a couple weeks.

Q: What are you going to do with the detailed itemization of the COB? That is the bulk of the information that is in the response.

A: Brent Ratterree - In the response it is really the ingredient cost paid the dispensing fee paid.

Q: What are you going to do with that as well? We can get information about average ingredient cost and average dispensing fee paid from the PBM administration. Is there really some reason that you need the detail?

A: Brent Ratterree - For a lot of those items, there has been a request from upper management. Whatever we do with this 5.1, I am hoping that we can make it as painless as we possibly can while still getting the information that we need.

Q: NCPDP says that the payer may not require additional or different delimiters than those listed in the standard. What will AHCCCS do with the control line feeds?

A: Lori Petre – All Mercator is doing, literally, is taking it and mapping it over to a 3.2 file so Mike can process it. Is not going through any checks. It is not treating it at all like a HIPAA file coming in other than we are using it just as a tool to do that mapping.

MaryKay McDaniel – The issue is the carriage return is 2-bytes instead of 1-byte, will it reject the file. You cannot add a carriage return line feed in addition to the start of record and end of record.

Lori Petre – We have a meeting Friday to discuss this. From that, Dennis will be able to give us an idea on a timeline, and we will talk about what kind of documentation that we can make available. We will send that out.

**Action Item: Lori Petre**

**Send out the new information on NCPDP 5.1.**

Q: Can you poll management to find out what kind of feedback you get regarding these two transactions? What is happening is that it is all technical, and without you saying there are other options, then they do not listen. We started out with this basically telling the PBM that they had to provide this information.

A: Brent Ratterree – We can send an email to poll to see what the responses are.

**Action Item – Brent Ratterree**

**Send an email to poll for feedback.**

Q: This question is for the group. Has anybody looked at providing AHCCCS IDs for the prescribing physician?

A: Health Plan – We get them from the PBM and enter them manually.

Lori Petre – Can you get something in that field? You get DEA numbers in that field, right?

Health Plan – I was hoping that we could give you the DEA number and the AHCCCS ID when it is available.

Lori Petre – We would have to make some changes to do that, but you could certainly store those as an alt ID. We will look into this and get back to you. If we have providers who are prescribing who are registered AHCCCS providers, and we do not have a DEA number, we are out of CMS compliance. They should not be prescribing if they do not have a DEA number. The exception

would come into place if they were not AHCCCS registered, but do have a DEA number for prescribing. Brent would need to establish rules for this sort of exception.

Q: If they are not registered, and they are prescribing, what would happen?

A: Lori Petre – That is also an exception. There is probably a handful of exception sort of situations that you would need to account for. The structure is there for the alt ID table. We would have to make some changes, but certainly the structure is there.

Q: What are you doing with the Prescribing Provider ID?

A: Brent Ratterree – I would have to defer that question to Del Swan. I know that the Office of Program Integrity has looked at a couple of issues with prescribing providers. If you have exceptions that you could send to me, please send them to the workgroup, and we will look at them and evaluate.

**Action Item – Lori Petre**

Look into possibility of storing DEA number as an alt ID, and allowing the health plans to submit either DEA or AHCCCS ID number in the prescribing physician field. Let the health plans know the outcome.

Health Plan – We are losing our ability to create current format so we really do need to move on this. We could probably wait one month.

Q: You could soften the prescribing provider edit, couldn't you?

A: Brent Ratterree – It is currently soft at the moment to allow everyone to wrap up their system and so forth. Management would have to approve keeping the edit soft.

Q: Do you have an electronic spreadsheet that you could get out today?

A: Lori Petre – Those are just the updated examples. We could certainly send those out. I will email them to you this afternoon, and then they will also be available with the minutes.

**Action Item – Lori Petre**

Email the NCPDP examples to the health plans.

Q: What is the timeline schedule for the 3.2 to take into production?

A: Brent Ratterree – We have to have at least one successful test before it can be put up.

Lori Petre – We must have one health plan that is ready to go into production before we can put it up.

Q: If the PBM sends you a value of zero, I am not sure if we should be sending that as a zero or spaces.

A: Lori Petre – If they send you a zero, you should be able to send a zero. Send us some examples of what you are talking about in the current structure. MaryKay, can you show Mike what Art is referring to?

MaryKay McDaniel – It is the payer allowed amount.

Lori Petre – I would say in that case, Mike's program should be looking for zeros not spaces. We do not capture spaces in any other amount field. We will have to take a look at this and get back to you.

**Action Item – Mike Upchurch/Lori Petre**

To take a look into the spaces instead of zeros issue in amount fields, and inform the health plans of the outcome.

Q: Is the 3.2 version ready?

A: Lori Petre – Our programs are in theory ready on the 3.2. They are not in production yet, because nobody has tested. We did not want to move them up if no one external had tested them. As soon as somebody is ready, we will put those programs up so they can be used.

Lori Petre - We will have an accommodation for two different formats for your submission. You can submit either the 5.1 or the 3.2. For our processing we are going to make the 5.1 look and act like a 3.2. Mercator will take the 5.1 and map it over to the 3.2. I want to stress that it is a 5.1 hybrid and a 3.2 hybrid, not a true standard 5.1 or 3.2.

Q: When is the go-live date for NCPDP?

A: Brent Ratterree – It is Date of Service driven so 7/1/04.

Q: Being that we are test on 837 Encounters and there are still some issues to be worked out on the BBA process, where does that put us on the 7/1/04 DOS?

A: Lori Petre – Our plan had always intended to support testing through September. Beyond September is when the contingency planning would begin.

Health Plan – There was a legislation change to allow providers 12 months (365 days) to bill. However, the Encounter timeliness requirement is 8 months (240 days).

Brent Ratterree – We will need to look into this further.

**Action Item: Brent Ratterree**

**Follow-up on the discrepancy for the submission timeframe for Claims and Encounters.**

The next meeting is scheduled for 7/14/04.

Meeting adjourned.